



May 16, 2018

The Secretary, Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001.  
Maharashtra, India.  
Scrip Code: 500470/890144

The Manager, Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor, Plot No. C/1,  
G Block, Bandra-Kurla Complex, Bandra (E),  
Mumbai - 400 051.  
Maharashtra, India.  
Symbol: TATASTEEL/TATASTEELPP

Dear Sir, Madam,

**Re: Outcome of the Board Meeting**

This has reference to our letter dated May 8, 2018.

The Board of Directors at the meeting held today, i.e. May 16, 2018, *inter alia*, transacted the following business:

**1. Financial Results**

- a) Approved the Audited Standalone and Unaudited Consolidated Financial Results of the Company for the quarter ended March 31, 2018.
- b) Approved the Audited Standalone and Consolidated Financial Results of the Company for the financial year ended March 31, 2018.

Price Waterhouse & Co Chartered Accountants LLP, the Statutory Auditors of the Company have issued auditors' reports with an unmodified opinion on the financial statements.

**2. Dividend and 111<sup>th</sup> Annual General Meeting (AGM)**

Recommended a dividend of Rs. 10/- per Ordinary Share of Rs. 10 each and Rs. 2.504 per partly paid Ordinary Share of Rs. 10/- each (paid-up Rs. 2.504 per share) to the shareholders for the financial year ended March 31, 2018. The dividend recommended by the Board is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) of the Company to be held on Friday, July 20, 2018.

The dividend, if approved by the shareholders at the AGM, will be paid on and from July 23, 2018.

**TATA STEEL LIMITED**

Registered Office Bombay House 24 Homi Mody Street Mumbai 400 001 India  
Tel 91 22 6665 8282 Fax 91 22 6665 7724 website www.tatasteel.com  
Corporate Identity Number L27100MH1907PLC000260





### 3. Book Closure

Approved closure of the Register of Members and Share Transfer Books of the Company from Saturday, July 7, 2018 to Friday, July 20, 2018 (both days inclusive) for the purpose of AGM and payment of Dividend.

The Board meeting commenced at 2:00 p.m. (IST) and concluded at 5:55 p.m. (IST).

A copy of the said results together with the Auditors' Report and Press Release is enclosed herewith. These are also being made available on the website of the Company at [www.tatasteel.com](http://www.tatasteel.com).

This is for your information and record.

Yours faithfully,  
**Tata Steel Limited**

A handwritten signature in black ink, appearing to read 'Parvatheesam K', with a horizontal line extending to the right.

**Parvatheesam K**  
Company Secretary

Encl: As above



Standalone Financial Results for the quarter/ twelve months ended on 31st March 2018

Particulars	₹ Crores				
	Quarter ended on 31.03.2018	Quarter ended on 31.12.2017	Quarter ended on 31.03.2017	Financial year ended on 31.03.2018	Financial year ended on 31.03.2017
	Audited	Audited	Audited	Audited	Audited
<b>1 Revenue from operations</b>					
a) Gross sales / income from operations	15,946.20	15,309.94	16,692.67	59,453.23	52,564.93
b) Other operating revenues	334.74	285.84	420.46	1,066.14	696.03
<b>Total revenue from operations [ 1(a) + 1(b) ]</b>	<b>16,280.94</b>	<b>15,595.78</b>	<b>17,113.13</b>	<b>60,519.37</b>	<b>53,260.96</b>
<b>2 Other income</b>	<b>219.86</b>	<b>182.18</b>	<b>46.51</b>	<b>763.66</b>	<b>414.46</b>
<b>3 Total income [ 1 + 2 ]</b>	<b>16,500.80</b>	<b>15,777.96</b>	<b>17,159.64</b>	<b>61,283.03</b>	<b>53,675.42</b>
<b>4 Expenses</b>					
a) Raw materials consumed	3,998.11	4,210.96	4,247.45	16,877.63	12,496.78
b) Purchases of finished, semi-finished & other products	212.50	90.88	206.44	647.21	881.18
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	102.00	429.04	96.15	545.36	(1,329.65)
d) Employee benefits expense	1,409.41	1,146.64	1,061.12	4,828.85	4,605.13
e) Finance costs	731.14	670.18	652.92	2,810.62	2,688.55
f) Depreciation and amortisation expense	934.77	913.86	1,057.49	3,727.46	3,541.55
g) Excise duty recovered on sales	-	-	1,508.22	1,358.58	5,117.18
h) Other expenses	5,749.60	5,090.15	5,632.79	20,482.78	19,614.39
<b>Total expenses [ 4(a) to 4(h) ]</b>	<b>13,137.53</b>	<b>12,551.71</b>	<b>14,462.58</b>	<b>51,278.49</b>	<b>47,615.11</b>
<b>5 Profit / (Loss) before exceptional items &amp; tax [ 3 - 4 ]</b>	<b>3,363.27</b>	<b>3,226.25</b>	<b>2,697.06</b>	<b>10,004.54</b>	<b>6,060.31</b>
<b>6 Exceptional items</b>					
a) Provision for impairment of investments / doubtful advances	(36.27)	-	(19.65)	(62.92)	(170.87)
b) Provision for demands and claims	(1,483.82)	(1,115.45)	(218.25)	(3,213.68)	(218.25)
c) Employee separation compensation	(87.31)	-	(68.58)	(89.69)	(178.68)
d) Restructuring and other provisions	-	-	(135.58)	-	(135.58)
<b>Total exceptional items [ 6(a) to 6(d) ]</b>	<b>(1,607.40)</b>	<b>(1,115.45)</b>	<b>(442.06)</b>	<b>(3,366.29)</b>	<b>(703.38)</b>
<b>7 Profit / (Loss) before tax [ 5 + 6 ]</b>	<b>1,755.87</b>	<b>2,110.80</b>	<b>2,255.00</b>	<b>6,638.25</b>	<b>5,356.93</b>
<b>8 Tax Expense</b>					
a) Current tax	419.63	458.29	493.75	1,586.78	1,400.54
b) Deferred tax	305.31	314.42	346.29	881.92	511.84
<b>Total tax expense [ 8(a) + 8(b) ]</b>	<b>724.94</b>	<b>772.71</b>	<b>840.04</b>	<b>2,468.70</b>	<b>1,912.38</b>
<b>9 Net Profit / (Loss) for the period [ 7 - 8 ]</b>	<b>1,030.93</b>	<b>1,338.09</b>	<b>1,414.96</b>	<b>4,169.55</b>	<b>3,444.55</b>
<b>10 Other comprehensive income</b>					
A (i) Items that will not be reclassified to profit or loss	51.20	153.81	17.15	14.63	601.22
(ii) Income tax relating to items that will not be reclassified to profit or loss	(42.94)	(21.32)	7.67	(82.24)	75.37
B (i) Items that will be reclassified to profit or loss	7.07	5.53	(1.87)	9.96	(1.22)
(ii) Income tax relating to items that will be reclassified to profit or loss	(2.47)	(1.91)	0.65	(3.47)	0.42
<b>Total other comprehensive income</b>	<b>12.86</b>	<b>136.11</b>	<b>23.60</b>	<b>(61.12)</b>	<b>675.79</b>
<b>11 Total Comprehensive Income for the period [ 9 + 10 ]</b>	<b>1,043.79</b>	<b>1,474.20</b>	<b>1,438.56</b>	<b>4,108.43</b>	<b>4,120.34</b>
<b>12 Paid-up equity share capital [Face value ₹ 10 per share]</b>	<b>1,146.12</b>	<b>971.41</b>	<b>971.41</b>	<b>1,146.12</b>	<b>971.41</b>
<b>13 Paid-up debt capital</b>				<b>10,345.79</b>	<b>10,175.70</b>
<b>14 Reserves excluding revaluation reserves</b>				<b>60,368.72</b>	<b>48,687.60</b>
<b>15 Hybrid perpetual securities</b>				<b>2,275.00</b>	<b>2,275.00</b>
<b>16 Debenture redemption reserve</b>				<b>2,046.00</b>	<b>2,046.00</b>
<b>17 Earnings per equity share</b>					
Basic earnings per share (not annualised) - in Rupees (after exceptional items)	9.38	12.55	13.32	38.57	31.74
Diluted earnings per share (not annualised) - in Rupees (after exceptional items)	9.38	12.55	13.32	38.56	31.74
<b>18 Net Debt Equity Ratio</b>				<b>0.15</b>	<b>0.44</b>
<b>19 Debt Service Coverage Ratio</b>				<b>5.77</b>	<b>2.72</b>
<b>20 Interest Service Coverage Ratio</b>				<b>7.08</b>	<b>4.21</b>
(a) Paid up debt capital represents debentures					
(b) Net Debt to Equity: Net Debt / Average Net Worth (Net debt: Long term borrowings + Current maturities of long term borrowings + Short term borrowings - Cash & bank balances - Current investments) (Net Worth: Equity Share Capital + Other Equity + Hybrid Perpetual Securities)					
(c) Debt Service Coverage Ratio: EBIT / (Net Finance Charges + Scheduled Principal repayments of long term borrowings (excluding prepayments) during the period) (EBIT : Profit before Taxes +/- Exceptional Items + Net Finance Charges) (Net Finance Charges: Finance costs (excluding interest on short term debts) - Interest income - Dividend income from current investments - Net Gain/(Loss) on sale of current investments)					
(d) Interest Service Coverage Ratio: EBIT / Net Finance Charges					

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Standalone Balance Sheet as at 31st March 2018

₹ Crores

Particulars	As at	As at
	31.03.2018	31.03.2017
	Audited	Audited
<b>A ASSETS</b>		
(1) Non-current assets		
(a) Property, plant and equipment	70,942.90	71,778.97
(b) Capital work-in-progress	5,641.50	6,125.35
(c) Intangible assets	786.18	788.18
(d) Intangible assets under development	31.77	38.61
(e) Investments in subsidiaries, associates and joint ventures	3,666.24	3,397.83
(f) Financial assets		
(i) Investments	5,970.32	4,958.07
(ii) Loans	213.50	211.97
(iii) Derivative assets	12.13	0.12
(iv) Other financial assets	21.21	79.49
(g) Current tax assets (net)	1,043.84	867.75
(h) Other assets	2,140.84	3,108.67
<b>Sub-total - Non current assets</b>	<b>90,470.43</b>	<b>91,355.01</b>
(2) Current assets		
(a) Inventories	11,023.41	10,236.85
(b) Financial assets		
(i) Investments	14,640.37	5,309.81
(ii) Trade receivables	1,875.63	2,006.52
(iii) Cash and cash equivalents	4,588.89	905.21
(iv) Other balances with banks	107.85	65.10
(v) Loans	74.13	27.14
(vi) Derivative assets	30.07	6.26
(vii) Other financial assets	480.62	315.06
(c) Other assets	1,822.94	1,238.45
<b>Sub-total - Current assets</b>	<b>34,643.91</b>	<b>20,110.40</b>
<b>TOTAL - ASSETS</b>	<b>125,114.34</b>	<b>111,465.41</b>
<b>B EQUITY AND LIABILITIES</b>		
(1) Equity		
(a) Equity share capital	1,146.12	971.41
(b) Hybrid perpetual securities	2,275.00	2,275.00
(c) Other equity	60,368.72	48,687.60
<b>Sub-total - Total Equity</b>	<b>63,789.84</b>	<b>51,934.01</b>
(2) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	24,568.95	24,694.37
(ii) Derivative liabilities	70.08	179.33
(iii) Other financial liabilities	19.78	18.22
(b) Provisions	1,961.21	2,024.74
(c) Retirement benefit obligations	1,247.73	1,484.21
(d) Deferred income	1,365.61	1,885.19
(e) Deferred tax liabilities (net)	6,259.09	6,111.27
(f) Other liabilities	224.71	77.74
<b>Sub-total - Non current liabilities</b>	<b>35,717.16</b>	<b>36,475.07</b>
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	669.88	3,239.67
(ii) Trade payables	11,242.75	10,717.44
(iii) Derivative liabilities	16.41	270.17
(iv) Other financial liabilities	6,541.40	4,062.35
(b) Provisions	735.28	700.60
(c) Retirement benefit obligations	90.50	56.58
(d) Current tax liabilities (net)	454.06	465.72
(e) Other liabilities	5,857.06	3,543.80
<b>Sub-total - Current liabilities</b>	<b>25,607.34</b>	<b>23,056.33</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>125,114.34</b>	<b>111,465.41</b>





Consolidated Financial Results for the quarter/ twelve months ended on 31st March 2018

₹ Crores

Particulars	Quarter ended on 31.03.2018	Quarter ended on 31.12.2017	Quarter ended on 31.03.2017	Financial year ended on 31.03.2018	Financial year ended on 31.03.2017
	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1 Revenue from operations</b>					
a) Gross sales / income from operations	35,737.19	33,099.95	34,832.98	131,741.49	116,682.57
b) Other operating revenues	395.11	346.65	471.91	1,274.88	737.37
Total revenue from operations [ 1(a) + 1(b) ]	36,132.30	33,446.60	35,304.89	133,016.37	117,419.94
<b>2 Other income</b>	274.89	225.88	152.17	909.45	527.47
<b>3 Total income [ 1 + 2 ]</b>	36,407.19	33,672.48	35,457.06	133,925.82	117,947.41
<b>4 Expenses</b>					
a) Raw materials consumed	10,369.77	10,201.64	9,957.64	41,205.43	32,418.09
b) Purchases of finished, semi-finished & other products	2,840.28	2,778.23	2,784.80	11,002.82	11,424.94
c) Charges in inventories of finished goods, work-in-progress and stock-in-trade	467.18	148.00	(295.31)	(43.68)	(4,538.13)
d) Employee benefits expense	4,582.66	4,425.57	4,216.94	17,606.19	17,252.22
e) Finance costs	1,480.87	1,327.28	1,363.12	5,501.79	5,072.20
f) Depreciation and amortisation expense	1,512.16	1,475.09	1,589.22	5,961.66	5,672.88
g) Excise duty recovered on sales	-	-	1,449.29	1,316.04	4,995.16
h) Other expenses	11,373.50	10,196.22	10,166.32	40,039.04	38,859.84
Total expenses [ 4(a) to 4(h) ]	32,626.42	30,552.03	31,132.02	122,589.29	111,157.20
<b>5 Profit / (Loss) before share of profit/(loss) of joint ventures &amp; associates, exceptional items &amp; tax [ 3 - 4 ]</b>	3,780.77	3,120.45	4,325.04	11,336.53	6,790.21
<b>6 Share of profit / (loss) of joint ventures &amp; associates</b>	58.57	89.83	2.76	174.10	7.65
<b>7 Profit / (Loss) before exceptional items &amp; tax [ 5 + 6 ]</b>	3,839.34	3,210.28	4,327.80	11,510.63	6,797.86
<b>8 Exceptional items :</b>					
a) Profit / (Loss) on sale of non current investments	-	-	22.70	-	22.70
b) Profit on sale of non current assets	-	-	85.87	-	85.87
c) Provision for diminution in value of investments / doubtful advances	(10.60)	-	(8.59)	(37.25)	(125.45)
d) Provision for impairment of non-current assets	(903.01)	-	(267.93)	(903.01)	(267.93)
e) Provision for demands and claims	(1,483.82)	(1,115.45)	(218.25)	(3,213.68)	(218.25)
f) Employee separation compensation	(87.09)	(0.13)	(68.59)	(107.60)	(207.37)
g) Restructuring and other provisions	13,850.66	-	(3,613.80)	13,850.66	(3,613.80)
Total exceptional items [ 8(a) to 8(g) ]	11,376.14	(1,115.58)	(4,068.59)	9,599.12	(4,324.23)
<b>9 Profit / (Loss) before tax [ 7 + 8 ]</b>	15,215.48	2,094.70	259.21	21,109.75	2,473.63
<b>10 Tax Expense</b>					
a) Current tax	510.80	555.61	667.50	2,002.77	1,741.70
b) Deferred tax	65.27	395.21	308.46	1,402.62	1,036.31
Total tax expense [ 10(a) + 10(b) ]	576.07	950.82	975.96	3,405.39	2,778.01
<b>11 Net Profit / (Loss) after tax from continuing operations [ 9 - 10 ]</b>	14,639.41	1,143.88	(716.75)	17,704.36	(304.38)
<b>12 Profit / (Loss) before tax from discontinued operations</b>	49.34	1.57	(493.90)	53.30	(770.86)
<b>13 Tax expense of discontinued operations</b>	-	-	(0.11)	-	8.01
<b>14 Profit / (Loss) after tax from discontinued operations [ 12 - 13 ]</b>	49.34	1.57	(493.79)	53.30	(778.87)
<b>15 Profit / (Loss) on disposal of discontinued operations</b>	(0.73)	(9.53)	42.52	5.15	(3,085.32)
<b>16 Net Profit / (Loss) after tax from discontinued operations [ 14 + 15 ]</b>	48.61	(7.96)	(451.27)	58.45	(3,864.19)
<b>17 Net Profit / (Loss) for the period [ 11 + 16 ]</b>	14,688.02	1,135.92	(1,168.02)	17,762.81	(4,168.57)
<b>18 Profit / (Loss) from continuing operations for the period attributable to:</b>					
Owners of the Company	10,187.23	1,294.38	(725.14)	13,375.88	(376.61)
Non controlling interests	4,452.18	(150.50)	8.39	4,328.48	72.23
<b>19 Profit / (Loss) from discontinued operations for the period attributable to:</b>					
Owners of the Company	48.61	(7.96)	(451.27)	58.45	(3,864.19)
Non controlling interests	-	-	-	-	-
<b>20 Other comprehensive income</b>					
A (i) Items that will not be reclassified to profit or loss	4,767.12	76.99	1,820.30	(1,693.97)	(3,494.25)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(299.98)	(24.43)	(303.42)	212.98	782.34
B (i) Items that will be reclassified to profit or loss	68.21	157.50	(152.44)	(1,625.60)	2,188.30
(ii) Income tax on items that will be reclassified to profit or loss	(26.18)	(20.97)	28.18	28.58	(39.45)
Total other comprehensive income	4,509.17	189.09	1,392.62	(3,078.01)	(363.06)
<b>21 Total Comprehensive Income for the period [ 17 + 20 ]</b>	19,197.19	1,325.01	224.60	14,684.80	(4,731.63)
<b>22 Total comprehensive income for the period attributable to:</b>					
Owners of the Company	13,219.37	1,493.84	212.26	8,802.54	(4,800.32)
Non controlling interests	5,977.82	(168.83)	12.34	5,882.26	68.69
<b>23 Paid-up equity share capital [Face value ₹ 10 per share]</b>	1,144.95	970.24	970.24	1,144.95	970.24
<b>24 Reserves (excluding revaluation reserves) and Non controlling interest</b>				58,387.19	36,175.78
<b>25 Hybrid perpetual securities</b>				2,275.00	2,275.00
<b>26 Earnings per equity share (for continuing operation):</b>					
Basic earnings per share (not annualised) - in Rupees (after exceptional items)	96.40	12.15	(7.46)	127.56	(5.35)
Diluted earnings per share (not annualised) - in Rupees (after exceptional items)	96.38	12.15	(7.46)	127.54	(5.35)
<b>27 Earnings per equity share (for discontinued operation):</b>					
Basic earnings per share (not annualised) - in Rupees	0.46	(0.08)	(4.38)	0.56	(37.54)
Diluted earnings per share (not annualised) - in Rupees	0.46	(0.08)	(4.38)	0.56	(37.54)
<b>28 Earnings per equity share (for continuing and discontinued operations):</b>					
Basic earnings per share (not annualised) - in Rupees (after exceptional items)	96.86	12.07	(11.84)	128.12	(42.89)
Diluted earnings per share (not annualised) - in Rupees (after exceptional items)	96.84	12.07	(11.84)	128.10	(42.89)





Consolidated Segment Revenue, Results, Assets and Liabilities

₹ Crores

Particulars	Quarter ended on 31.03.2018	Quarter ended on 31.12.2017	Quarter ended on 31.03.2017	Financial year ended on 31.03.2018	Financial year ended on 31.03.2017
	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>Segment Revenue:</b>					
Tata Steel India	16,280.95	15,595.78	17,113.13	60,519.37	53,260.96
Other Indian Operations	3,042.50	2,449.48	2,056.96	9,422.45	6,699.84
Tata Steel Europe	16,207.91	14,692.66	15,243.52	59,985.45	52,084.96
Other Trade Related Operations	7,700.36	6,589.54	7,202.26	27,831.76	23,751.37
South East Asian Operations	2,543.06	2,413.56	2,220.84	9,442.00	8,135.90
Rest of the World	227.54	144.68	240.48	751.99	629.95
<b>Total</b>	<b>46,002.32</b>	<b>41,885.70</b>	<b>44,077.19</b>	<b>167,953.02</b>	<b>144,562.98</b>
Less: Inter Segment Revenue	9,870.02	8,439.10	8,772.30	34,936.65	27,143.04
<b>Total Segment Revenue from operations</b>	<b>36,132.30</b>	<b>33,446.60</b>	<b>35,304.89</b>	<b>133,016.37</b>	<b>117,419.94</b>
<b>Segment Results before exceptional items, interest, tax and depreciation :</b>					
Tata Steel India	4,823.44	4,647.27	4,324.39	15,799.94	11,944.25
Other Indian Operations	348.07	201.81	214.75	955.97	580.08
Tata Steel Europe	1,154.20	632.19	1,972.17	3,792.04	4,704.91
Other Trade Related Operations	421.20	360.13	582.39	2,050.20	261.62
South East Asian Operations	106.41	187.10	154.56	454.32	531.27
Rest of the World	(35.83)	10.95	44.48	(3.69)	(19.56)
Less: Inter Segment Eliminations	238.82	238.58	310.75	1,003.85	977.20
<b>Total Segment Results before exceptional items, interest, tax and depreciation</b>	<b>6,578.67</b>	<b>5,800.87</b>	<b>6,981.99</b>	<b>22,044.93</b>	<b>17,025.37</b>
Add: Finance income	253.70	211.78	198.15	929.15	517.57
Less: Finance costs	1,480.87	1,327.28	1,263.12	5,501.79	5,072.20
Less: Depreciation and Amortisation	1,512.16	1,475.09	1,589.22	5,961.66	5,672.88
<b>Profit / (Loss) before exceptional items &amp; tax</b>	<b>3,839.34</b>	<b>3,210.28</b>	<b>4,327.80</b>	<b>11,510.63</b>	<b>6,797.86</b>
Add: Exceptional items	11,376.14	(1,115.58)	(4,068.59)	9,599.12	(4,324.23)
<b>Profit / (Loss) before tax</b>	<b>15,215.48</b>	<b>2,094.70</b>	<b>259.21</b>	<b>21,109.75</b>	<b>2,473.63</b>
Less: Tax expense	576.07	950.82	975.96	3,405.39	2,778.01
<b>Net Profit / (Loss) after tax from continuing operations</b>	<b>14,639.41</b>	<b>1,143.88</b>	<b>(716.75)</b>	<b>17,704.36</b>	<b>(304.38)</b>
Net Profit / (Loss) after tax from discontinued operations	48.61	(7.96)	(451.27)	58.45	(3,864.19)
<b>Net Profit / (Loss) for the period</b>	<b>14,688.02</b>	<b>1,135.92</b>	<b>(1,168.02)</b>	<b>17,762.81</b>	<b>(4,168.57)</b>
<b>Segment Assets:</b>					
Tata Steel India	117,765.08	107,404.52	109,180.60	117,765.08	109,180.60
Other Indian Operations	7,258.99	6,228.66	5,532.26	7,258.99	5,532.26
Tata Steel Europe	69,078.02	44,494.26	43,687.31	69,078.02	43,687.31
Other Trade Related Operations	58,307.52	53,383.02	43,413.50	58,307.52	43,413.50
South East Asian Operations	5,429.16	5,043.81	5,091.43	5,429.16	5,091.43
Rest of the World	7,479.19	8,330.14	7,904.66	7,479.19	7,904.66
Less: Inter Segment Eliminations	55,560.02	51,119.88	41,476.52	55,560.02	41,476.52
<b>Total Segment Assets</b>	<b>209,757.94</b>	<b>173,764.53</b>	<b>173,333.24</b>	<b>209,757.94</b>	<b>173,333.24</b>
<b>Segment Liabilities:</b>					
Tata Steel India	64,365.30	63,767.26	62,542.95	64,365.30	62,542.95
Other Indian Operations	4,463.50	3,674.53	3,274.90	4,463.50	3,274.90
Tata Steel Europe	91,793.30	84,416.55	73,061.71	91,793.30	73,061.71
Other Trade Related Operations	39,365.64	36,112.30	33,208.34	39,365.64	33,208.34
South East Asian Operations	2,675.68	2,491.74	2,724.50	2,675.68	2,724.50
Rest of the World	2,866.28	2,814.96	2,205.11	2,866.28	2,205.11
Less: Inter Segment Eliminations	57,578.90	52,954.50	43,105.29	57,578.90	43,105.29
<b>Total Segment Liabilities</b>	<b>147,950.80</b>	<b>140,322.84</b>	<b>133,912.22</b>	<b>147,950.80</b>	<b>133,912.22</b>





Consolidated Balance Sheet as at 31st March 2018

Particulars	₹ Crores	
	As at 31.03.2018 Audited	As at 31.03.2017 Audited
<b>A ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, plant and equipment	90,322.78	86,880.59
(b) Capital work-in-progress	16,159.80	15,514.37
(c) Goodwill on consolidation	4,099.45	3,494.73
(d) Other intangible assets	1,682.66	1,631.23
(e) Intangible assets under development	454.61	269.76
(f) Equity accounted investments	1,781.22	1,593.94
(g) Financial assets		
(i) Investments	1,209.28	5,190.05
(ii) Loans	717.34	373.06
(iii) Derivative assets	29.16	83.17
(iv) Other financial assets	87.91	85.58
(h) Retirement benefit assets	20,570.87	1,752.64
(i) Current tax assets	1,152.76	981.23
(j) Deferred tax assets	1,035.80	885.87
(k) Other assets	2,577.14	3,661.99
<b>Sub-total - Non current assets</b>	<b>141,880.78</b>	<b>122,398.21</b>
<b>(2) Current assets</b>		
(a) Inventories	28,331.04	24,803.82
(b) Financial assets		
(i) Investments	14,908.97	5,673.13
(ii) Trade receivables	12,415.52	11,586.82
(iii) Cash and cash equivalents	7,783.50	4,832.29
(iv) Other balances with banks	154.35	88.76
(v) Loans	256.48	224.50
(vi) Derivative assets	150.95	104.04
(vii) Other financial assets	599.71	387.82
(c) Retirement benefit assets	2.91	-
(d) Current tax assets	62.28	35.08
(e) Other assets	3,108.98	2,207.35
<b>Sub-total - Current assets</b>	<b>67,774.69</b>	<b>49,943.61</b>
<b>(3) Assets held for sale</b>	102.47	991.42
<b>TOTAL - ASSETS</b>	<b>209,757.94</b>	<b>173,333.24</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>(1) Equity</b>		
(a) Equity share capital	1,144.95	970.24
(b) Hybrid perpetual securities	2,275.00	2,275.00
(c) Other equity	57,450.67	34,574.08
<b>Equity attributable to shareholders of the company</b>	<b>60,870.62</b>	<b>37,819.32</b>
Non controlling interest	936.52	1,601.70
<b>Sub-total - Total Equity</b>	<b>61,807.14</b>	<b>39,421.02</b>
<b>(2) Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	72,789.10	64,022.27
(ii) Derivative liabilities	85.04	179.98
(iii) Other financial liabilities	105.83	108.78
(b) Provisions	4,338.24	4,279.69
(c) Retirement benefit obligations	2,516.56	2,666.27
(d) Deferred income	1,526.58	2,057.59
(e) Deferred tax liabilities	10,569.88	10,030.08
(f) Other liabilities	358.16	226.51
<b>Sub-total - Non current liabilities</b>	<b>92,289.39</b>	<b>83,571.17</b>
<b>(3) Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	15,884.98	18,328.10
(ii) Trade payables	20,413.81	18,574.46
(iii) Derivative liabilities	468.79	673.67
(iv) Other financial liabilities	9,791.78	6,315.51
(b) Provisions	1,269.64	987.38
(c) Retirement benefit obligations	110.36	95.20
(d) Deferred income	6.21	22.52
(e) Current tax liabilities	783.47	739.18
(f) Other liabilities	6,932.26	4,315.27
<b>Sub-total - Current liabilities</b>	<b>55,661.30</b>	<b>50,051.29</b>
<b>(4) Liabilities held for sale</b>	0.11	289.54
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>209,757.94</b>	<b>173,333.24</b>





**Notes:**

1. The results have been reviewed by the Audit Committee in its meeting held on May 16, 2018 and were approved by the Board of Directors in its meeting of date.
2. Post the applicability of Goods and Service Tax (GST) with effect from July 01, 2017, revenue from operations is disclosed net of GST. Accordingly, the revenue from operations and other expenses for the quarter/ twelve months ended on March 31, 2018 are not comparable with the previous periods presented in the results.
3. The National Company Law Tribunal, New Delhi Bench, has approved the terms of the Resolution Plan submitted by the Company, to acquire Bhushan Steel Limited ("BSL") pursuant to a Corporate Insolvency Resolution process implemented under the Insolvency and Bankruptcy Code 2016 (the "Resolution Plan"), and the terms of the Resolution Plan are now binding.

Pursuant to the Resolution Plan, Bamnival Steel Limited ("BNPL") a wholly-owned subsidiary of the Company, will initially subscribe to 72.65% of the equity share capital of BSL for an aggregate amount of ₹ 158.89 crore and provide additional funds aggregating of ₹ 35,041.11 crores by way of debt/convertible debt.

Upon implementation of the Resolution Plan, the Company will hold 72.65% of the paid up share capital of BSL. The remaining 27.35% of BSL's share capital will be held by BSL's existing shareholders and the financial creditors who receive shares in exchange for the debt owed to them. The funds received by BSL as debt and equity will be used to settle the debts owed to the existing financial creditors of BSL, by payment of ₹ 35,200 crores.

The Competition Commission of India had earlier approved the Resolution Plan.

4. Exceptional Item 8(d) in the consolidated results represents non-cash write down of fixed assets relating to the mining operations in Canada.
5. Exceptional item 6(b) and 8(e) in the standalone and consolidated financial results respectively represents provision in respect of certain statutory demands and claims relating to environment and mining matters, net of liability towards district mining fund no longer required written back.
6. In September 2017, the UK Pensions Regulator (tPR) had approved a Regulated Apportionment Arrangement (RAA) in respect of the British Steel Pension Scheme (BSPS) which separated the scheme from Tata Steel UK (TSUK), a wholly owned indirect subsidiary of Tata Steel, and a number of affiliated companies. This was accompanied by a one-time settlement payment as well as transfer of a 33% minority stake in TSUK to the BSPS. All BSPS members were subsequently given the choice to switch to a new pension scheme ('NBSPS') with modified benefits, or remain in the BSPS. 69% of the BSPS membership opted to transfer to the NBSPS and based on the consequent allocation of liabilities, in accordance with the agreements reached with the Pension Protection Fund (PPF) and the trustees of pension schemes, assets of the legacy scheme were split, with the NBSPS being created on March 28, 2018.

Exceptional item 8(g) in the consolidated financial results includes gains arising out of modification in benefit structure for members of the NBSPS versus their benefits under the BSPS, offset by settlement charges for those members who did not join the NBSPS and one-off costs.

7. Figures for the quarter ended March 31, 2018 and March 31, 2017 represent the difference between the audited figures in respect of the full financial year and the published figures of nine months ended December 31, 2017 and December 31, 2016 respectively.







8. The Board of Directors has recommended a dividend of ₹ 10 per Ordinary share of ₹ 10 each and ₹ 2.504 per partly paid Ordinary Share of ₹ 10 each (paid-up ₹ 2.504 per share) for the financial year 2017-18. The dividend has been calculated in proportion to the amount paid-up on the Ordinary Share.
9. The Annual General Meeting of the Company will be held on July 20, 2018 to consider the accounts for the financial year 2017-18.

A handwritten signature in black ink, appearing to read 'T V Narendran', with a long horizontal stroke extending to the right.

T V Narendran

Chief Executive Officer &  
Managing Director

A handwritten signature in black ink, appearing to read 'Koushik Chatterjee', with a large 'K' at the beginning.

Koushik Chatterjee

Executive Director &  
Chief Financial Officer

Mumbai: May 16, 2018

# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF TATA STEEL LIMITED

#### Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of **Tata Steel Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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# Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT  
To the Members of Tata Steel Limited  
Report on the Standalone Ind AS Financial Statements  
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7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

## Other Matter

9. The standalone Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 16, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.



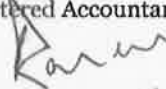
## Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT  
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Report on the Standalone Ind AS Financial Statements  
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(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements – Refer Notes 36 and 37 to the standalone Ind AS financial statements;
- ii. The Company has long-term contracts including derivative contracts as at March 31, 2018, for which there were no material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018 except for amounts aggregating to Rs. 4.62 crores, which according to the information and explanations provided by the Management is held in abeyance due to dispute / pending legal cases.
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/ E-300009.  
Chartered Accountants



Russell I Parera  
Partner  
Membership Number 042190

Mumbai  
May 16, 2018

# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

To the Members of Tata Steel Limited

### Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Tata Steel Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its jointly controlled companies and associate companies; (refer Note 1 to the attached consolidated Ind AS financial statements), comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its associates and jointly controlled companies in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and jointly controlled companies respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.



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## Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT  
To the Members of Tata Steel Limited  
Report on the Consolidated Ind AS Financial Statements  
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5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, other than the unaudited financial statements/financial information as certified by the management and referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

### Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and jointly controlled companies as at March 31, 2018, and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

### Other Matter

8. We did not audit the financial statements/information of nine subsidiaries, whose financial statements/information reflect total assets of Rs. 83,196.23 crores and net assets of Rs. (15,990.96) crores as at March 31, 2018, total revenue of Rs. 72,668.19 crores, total comprehensive income (comprising of profit/(loss) and other comprehensive income) of Rs. 6,018.00 crores and net cash flows amounting to Rs. (1,046.45) crores for the year ended on that date, as considered in the consolidated Ind AS financial statements, which also include their step down jointly controlled companies and associates representing Rs. 56.63 crores of the Group's share of total comprehensive income for the year ended on that date. These financial statements/information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and their step down jointly controlled companies and associates, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and their step down jointly controlled companies and associates, is based solely on the reports of the other auditors.
9. We did not audit the financial statements/information of twenty subsidiaries whose financial statements/information reflect total assets of Rs. 7339.37 crores and net assets of Rs. (1,572.03) crores as at March 31, 2018, total revenue of Rs. 45.93 crores, total comprehensive income (comprising of profit/ (loss) and other comprehensive income) of Rs. (207.71) crores and net cash flows amounting to Rs. 2.79 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of total comprehensive income (comprising of profit/ (loss) and other comprehensive income) of Rs. 10.20 crores and Rs. 11.60 crores for the year ended March 31, 2018 as considered in the consolidated Ind AS financial statements, in respect of four associate companies and seven jointly controlled companies



## Price Waterhouse & Co Chartered Accountants LLP

### INDEPENDENT AUDITORS' REPORT

To the Members of Tata Steel Limited

Report on the Consolidated Ind AS Financial Statements

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respectively, whose financial statements/information have not been audited by us. These financial statements/information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate companies and jointly controlled companies and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, jointly controlled companies and associates, is based solely on such unaudited financial statements/information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/information are not material to the Group.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/information certified by the Management.

10. The consolidated Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 16, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, associate companies and jointly controlled companies incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group, associate companies and jointly controlled companies incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.



## Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT  
To the Members of Tata Steel Limited  
Report on the Consolidated Ind AS Financial Statements  
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(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, associate companies and jointly controlled companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

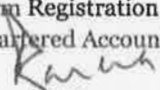
i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2018 on the consolidated financial position of the Group, its associates and jointly controlled companies – Refer Notes 39 and 40 to the consolidated Ind AS financial statements.

ii. The Group, its associates and jointly controlled companies did not have any material foreseeable losses on long-term contracts including derivative contracts as at March 31, 2018.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate Companies and jointly controlled companies incorporated in India during the year ended March 31, 2018 except for amounts aggregating to Rs. 4.67 crores, which according to the information and explanations provided by the management is held in abeyance due to dispute/pending legal cases.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2018.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E / E-300009  
Chartered Accountants

  
Russell I Parera  
Partner  
Membership Number 042190

Mumbai  
May 16, 2018



Mumbai, May 16, 2018

**Tata Steel Reports Consolidated Financial Results for the Quarter and year ended March 31, 2018**
**Highlights:**

- Health and Safety: LTIFR rate of 0.46 in FY18 compared to 0.58 in FY17.
- Consolidated revenues increased by 8.0%QoQ to Rs.36,132 crores in 4QFY18, driven by improved selling prices across geographies and higher deliveries in Europe. It grew by 13.3%YoY to Rs.1,33,016 crores in FY18.
- Consolidated EBITDA increased by 13.4%QoQ to Rs.6,579 crores in 4QFY18, it improved by 29.5%YoY to Rs.22,045 crores in FY18.
- Pre-exceptional PBT from continuing operations increased by 19.6%QoQ to Rs.3,839 crores in 4QFY18, it grew by 69.3%YoY to Rs.11,511 crores in FY18.
- The exceptional gain was Rs. 11,376 crores which includes a non-cash gain of Rs.14,077 crores on account of restructuring of UK pension scheme in 4QFY18.
- Consolidated PAT stood at Rs. 14,688 crores in 4QFY18 as against Rs. 1,136 crores in 3QFY18, it improved to Rs.17,763 crores in FY18 vs. a loss of Rs.4,169 crores in FY17.
- Gross debt as on March 31, 2018 increased to Rs.92,147 crores, mainly driven by foreign exchange translation impact. Net debt declined to Rs.69,215 crores.
- The liquidity position of the group remains very robust with approximately Rs. 36,320 crores comprising of Rs. 22,932 crores in cash and cash equivalents and Rs.13,388 crores in undrawn bank lines
- The Board of Directors recommended a dividend of Rs. 10.00 per fully paid equity share and Rs. 2.504 per partly paid equity share.

**Tata Steel Standalone and Consolidated Highlights**
*(Figures in Rs. crore unless otherwise specified)*

	Standalone					Consolidated				
	Q4FY18	Q3FY18	Q4FY17	FY18	FY17	Q4FY18	Q3FY18	Q4FY17	FY18	FY17
Production (mn tn) <sup>2</sup>	3.07	3.27	3.20	12.48	11.68	6.26	6.49	6.40	25.39	24.52
Deliveries (mn tn)	3.03	3.30	3.21	12.15	10.97	6.43	6.56	6.83	25.27	23.88
Turnover	16,281	15,596	17,113	60,519	53,261	36,132	33,447	35,305	133,016	117,420
EBITDA	4,823	4,647	4,324	15,800	11,944	6,579	5,801	6,982	22,045	17,025
PBT before exceptional items	3,363	3,226	2,697	10,005	6,060	3,839	3,210	4,328	11,511	6,798
Exceptional Charges	(1,607)	(1,115)	(442)	(3,366)	(703)	11,376	(1,116)	(4,069)	9,599	(4,324)
PAT from Continuing Operations	1,031	1,338	1,415	4,170	3,445	14,639	1,144	(717)	17,704	(304)
PAT from Discontinued Operations	-	-	-	-	-	49	(8)	(451)	58	(3,864)
Reported PAT (A)	1,031	1,338	1,415	4,170	3,445	14,688	1,136	(1,168)	17,763	(4,169)
Other Comprehensive Income (B)	13	136	24	(61)	676	4,509	189	1,393	(3,078)	(563)
Total Comprehensive Income (A+B)	1,044	1,474	1,439	4,108	4,120	19,197	1,325	225	14,685	(4,732)
Diluted EPS (Rs.)	9.38	12.55	13.32	38.56	31.74	96.84	12.07	(11.84)	128.10	(42.89)

1. Long Products and Specialty Steels businesses have been re-classified as held for sale/ discontinued operations. The previous year's figures have also been re-stated accordingly.

2. Production numbers for consolidated financials are calculated using Crude steel for India, Liquid steel for Europe and saleable steel for SEA



**Key Operating and Financial Highlights:****India Operations:**

- Deliveries declined to 3.03 million tons in 4QFY18 as production was impacted due to unforeseen blast furnace outage at the Kalinganagar plant. The issue has been resolved and plant is now running at full capacity.
- FY18 deliveries grew by 10.7%YoY which was better than 7.9%YoY demand growth in India. The volume growth was broad based and across segments. Automotive segment sales increased by 22.9% with 17.3% growth in hi-end automotive steel sales. Branded products, Retail & Solutions segment sales grew 9.5% in FY18. Deliveries in the Industrial Products, Projects & Exports segment grew 6.3% with 2x growth in the engineering sub-segment.
- Launched 38 new products in FY18. Enriched products now account for 68% deliveries in India; Branded products contribute 46% of total revenues.
- EBITDA for the quarter improved to Rs. 4,823 crores, up by 11.5%YoY and 3.8%QoQ as decline in deliveries was more than offset by improved realisations. FY18 EBITDA registered a significant improvement increasing by 32.3% to Rs. 15,800 crores.
- Exceptional charge of Rs.1,607 crores includes charge of Rs.1,484 crores on account of net provision recognized in respect of certain demands and claims from regulatory authorities relating to mining operations.
- Tata Steel Jamshedpur continues to be the benchmark in India for Coke consumption rate, with lowest best-ever coke rate of 348 kg/thm. It is also close to the global benchmark in water consumption, with specific water consumption rate of 3.68 m<sup>3</sup>/tcs in FY18.

**European Operations:**

- Liquid steel production declined by 1.6%QoQ to 2.63 million tons in 4QFY18, FY18 production was up by 1.2% to 10.69 million tons.
- Deliveries improved by 4.3%QoQ to 2.55 million tons in 4QFY18, FY18 deliveries increased by 0.6%YoY to 9.99 million tons.
- EBITDA jumped by 77.7%QoQ to £129 million on account of higher realisations in 4QFY18 and lower maintenance cost for planned outages as compared to 3QFY18. FY18 EBITDA stood at £442 million.
- Launched 23 new products in FY18, which includes steel for construction and automotive customers and also a new Nickel-plated steel for batteries used in electric vehicles. Differentiated products mix at Europe improved to 42%.

**South-East Asian Operations:**

- Revenue for South East Asia operations increased by 5.6%QoQ to Rs.2,631 crores in 4QFY18 with better selling prices; increased 15.7%YoY in FY18.

- EBITDA declined to Rs.95 crores in 4QFY18 vs. Rs.184 crores in 3QFY18 as spreads were impacted mainly due to higher scrap prices. FY18 EBITDA stood at Rs.437 crores.

**Corporate Developments:**

- Kalinganagar plant expansion has commenced. Engineering work is going as per plan and construction work has also started. Total estimated project cost is Rs.23,500 crores, including Rs.16,500 crores up to HRC stage and balance on raw material handling facilities and 2.2MTPA cold rolling mill.
- Tata Steel has been identified as the successful bidder for Bhushan Steel by its CoC and has received NCLT's approval on the resolution plan. CCI approval for this transaction has also been received.
- The entire process for the UK pension restructuring is now complete. The new scheme has a non-cash £2.2bn accounting surplus under IAS19. Out of this, a non-cash gain of £1.64bn i.e. Rs.14,077 crores has been treated as the exceptional gain during the quarter. The surplus will continue to support the pension scheme, allowing it to run its required low-risk investment strategy protecting its members. This is an optimal and sustainable outcome for pensioners, current employees and the UK business. Between the acquisition of Corus Group by Tata Steel in April 2007 until September 2017, £1.7bn of charges were taken through the books of Tata Steel UK either through the Profit and Loss account or Other Comprehensive Income in relation to the old British Steel Pension Scheme (BSPS). In addition, in the September 2017 quarter, when the BSPS was separated from TSUK by way of a Regulated Apportionment Arrangement, a £554mn cash payment and a 33% equity stake in TSUK was transferred into the scheme.
- The 50:50 joint venture with thyssenkrupp is progressing well. The binding agreements are expected to be signed in 1QFY19. The consultation process with Tata Steel's works councils across Europe is also progressing, including discussions with trade unions.
- Tata Steel Europe is seeking buyers for five non-core business units which supply products to niche markets. These potential divestments will allow Tata Steel Europe to strengthen its focus on strategic strip products and markets through its IJmuiden and Port Talbot value chains.
- During the quarter, the company completed its rights issue of Rs. 12,693 crores. The issue closed in March 2018 and was oversubscribed.

**Major Awards & Recognitions during the year:**

- Prime Minister's Trophy for 'Best Integrated Steel Plant' for the assessment years 2014-15 and 2015-16
- Retained Industry Leader position and ranked overall 2nd in the DJSI assessment 2017
- 'Most Ethical Company' award for the sixth time in the Mining, Metals and Minerals category by the Ethisphere Institute.
- 'Golden Peacock HR Excellence Award' for the year 2017 by the Institute of Directors, India

- 'Best Company To Work For' Award in the core sector by Business Today, Ranked at #7 in the Top 25 overall (across sectors) list
- 'Asia's Best Treasury Team' award by the Hong Kong based 'Corporate Treasurer', an independent print publication in Asia dedicated to serving treasury teams and chief financial officers
- MINT Corporate Strategy Award in the 'Renewals' category for evolving strategies for sustained market leadership.
- Dun & Bradstreet Corporate Awards 2017 in the 'Iron and Steel' sector
- Bagged awards for 'Best Risk Management Framework & Systems' in two categories, namely Risk Governance and Metals & Mining at the 4th India Risk Management Awards 2018
- 'Asia's Best Integrated Report' award by the Asia Sustainability Reporting Awards 2017, the highest regional recognition for integrated reporting
- 18 awards to Tata Steel West Bokaro division at '60th Annual Mines Safety Week' under aegis of the Directorate General Mines Safety, India
- BIZSAFE award to Nat Steel Group by the Work Place Safety and Health Council, Singapore for exemplary risk management systems

### Management Comments:

#### Mr. T V Narendran, CEO & Managing Director:

"Tata Steel performance has been robust in FY18 driven by our strong execution strategy and supported by favourable global demand-supply balance. During the year, our Indian operations delivered volume growth better than the market on the back of the ramp-up at our Kalinganagar plant and the strength of our marketing network and brand equity. Growth was broad-based across our marketing segments.

Tata Steel Europe had a good quarter despite currency headwinds. The UK pension scheme restructuring process has also been completed. The 50:50 JV discussion with thyssenkrupp is progressing well and we are committed towards building a strong European portfolio.

We continue to execute on our strategy of expanding our footprint in India. Kaliganagar Phase 2 expansion is progressing well, which will take our capacity from 13mt to 18mt of crude steel. I am also happy to share that NCLT has given its approval on our resolution plan for Bhushan Steel. We have also received CCI approval for this transaction.

On the steel outlook, we are closely watching the developments in global steel trade because of US protectionist measures. However, we continue to be bullish on steel prices and spreads with improving demand situation in India."

#### Mr. Koushik Chatterjee, Executive Director and CFO:

"FY2018 have been a good year for us as the group delivered a strong top and bottom line growth. During the year, our India business did very well with industry leading EBITDA margins and strong cash flows. Europe performance is also improving with restructuring, plant upgrades and support from better pricing in EU.



We completed 2 large financing transactions which apart from providing funds also gives us significant flexibility to pursue our growth plans. Our \$1.3 bn international bond issue in January 2018 helped us extend our maturity profile. We also successfully completed a US\$2bn Rights Issue, one of the largest equity issuance in India; both the fully and partly paid issues were oversubscribed excluding subscription from Tata Group. The success of these issuances represents the investors' confidence in the group's long-term strategy.

As we look forward, with the fundamentals of steel industry getting stronger, we believe that we are well positioned to drive profitable growth by continuing to execute on our strategies."

**Disclaimer:**

Statements in this press release describing the Company's performance may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those directly or indirectly expressed, inferred or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in or due to the environment, Government regulations, laws, statutes, judicial pronouncements and/or other incidental factors.

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